

## F Child Nutrition Charging Policy

### Child Nutrition Program Charges Policy

#### A. Purpose and Background

- (1) National School Lunch, Breakfast, Special (Kindergarten) Milk and the After School Snack Program are federal programs in which this school participates. Pricing policies for school meals are determined at the local level, including decisions about whether or not to extend credit to parents who do not have meal money in their student's accounts or whether or not to provide an alternate meal to such student.
- (2) Schools receive partial reimbursement for meals served to students who do not qualify for free meals. Parents must make payments to the student's account to make up the difference between the federal reimbursement and the cost of the meal. This policy applies only to school meal payments, not a la carte sales.
- (3) If students qualify for free or reduced price school lunch, their meals are paid for in whole or in part with federal funds. Otherwise, parents must pay for their student's meals. Schools should adopt policies which minimize unpaid accounts and ensure students are not subject to punishment or stigmatization when parents fail to make school meal payments.
- (4) The purpose of this policy is to explain how schools in the Morgan District will notify parents/guardians about money owed; the school's procedures for providing meals if students' accounts are in arrears; and notice to both parents and school employees that students will never be confronted or embarrassed about money owed for school meals.

#### B. Scope

This policy applies to all local education agencies (LEAs), parents, and students that participate in the National School Lunch, Breakfast, Special (Kindergarten) Milk and the After School Snack Programs. The scope includes requirements and direction for delinquent meal accounts.

#### C. Definitions

- (1) "Alternate Meal" means a meal served to students different from the meals served to other students because the student does not have adequate funds in their lunch account. The alternate meal, such as a sandwich and milk, allows the student to have something to eat while limiting the cost to the school lunch program. In most cases, an alternate meal does not meet the USDA requirements and may not be claimed for reimbursement. **The cost to produce this meal is not an allowable cost to the food program and must be paid for from non-federal funds.**
- (2) "Automated Meal Payment System" means a web based system which allows parents to deposit funds in student's meal accounts, informs parents of account balances and student meal payments and sends messages to the parent when funds in the account are low. Some systems allow parents to control the use of

the funds (i.e., allow the parent to choose if the funds can be used for

reimbursable meals only or if they may also be used for the purchase of a la carte or vending items).

- (3) "Collection Efforts" means an LEA uses a collection agency to collect delinquent lunch balances, contacts parents by phone, mail, or other effort to recoup unpaid meal balances. Schools may not withhold student records for unpaid school balances.
- (4) "Delinquent Accounts" means a meal fund account that has not been paid. School nutrition programs are responsible for the collection of funds in advance of the meal being served, but the school must take responsibility for the collection of delinquent accounts, if they are allowed. Collection of delinquent accounts can be made by the school contacting the parents, the principal, another school group or account paying the amounts or by having the unpaid accounts turned over to a collection agency. The expenses of collecting unpaid funds are not an allowable expense in the food program.
- (5) "Free Meal" means a meal served to a student whose parents have qualified, based on federal standards, for free meals. The free meal receives the highest federal rate of reimbursement. The meal is served at no cost to the student.
- (6) "LEA" means a local education agency, including local school boards/public school districts and charter schools.
- (7) "Meal Charging" means allowing students who do not have funds in their account to receive a reimbursable meal, with parents or other school organizations paying for these meals at a later time. Schools are not required to have a policy to provide meals to students who do not have the funds to pay for the meal.
- (8) "Overt Identification" means allowing only those with a need to know the free, reduced-price or paid status of a student. Such information, by regulation, only those who need to know (those who process school meal payments) may know the status of a student.
- (9) "Parent" means a student's parent, legal guardian, or custodian.
- (10) "Paid Meal" means a meal served to a student whose parents have not qualified for reduced-price or free meals. This meal receives the lowest amount of federal reimbursement. The parent must pay the lunch price established by the local school Board.
- (11) "Point of Service" means the place at the end of the line where meal payments and counting of reimbursable meals occurs. By regulation, this must be at the end of the meal line, but schools may obtain an exception if they wish to have the point of service at the beginning of the line. Schools must have an adult at the end of the line to assure the meals selected by students meets the requirements and is

reimbursable from USDA.

- (12) “Reduced-Price Meal” means a meal served to a student whose parents have qualified for reduced-price meals. The federal rate of reimbursement is less than for a free meal, but more than that for a paid meal. The parent must pay .40/lunch and .30/breakfast (schools may charge less than these amounts, but may not charge more and only the set amount is reimbursable).
- (13) “Reimbursable Meal” means a meal which meets the USDA requirements and may be claimed for payment from USDA.

#### **D. Model Policy Components**

- (1) Before school begins, parents shall receive information from the student’s resident school:
- about school meals;
  - the prices for the meals;
  - what students will receive if their meal accounts are delinquent; and
  - the policy for unpaid accounts.
- (2) Schools will send reminders of the policy throughout the school year. Schools may send letters home, newsletter reminders, announcements, phone calls and other means of communication to contact parents/guardians.
- (3) The school shall provide applications for free/reduced price meals to parents. The school shall also provide the school’s meal prices. Accompanying the information about the prices of school meals, parents will receive an application for free and reduced-price meals. The application is available in a variety of languages at: <http://www.fns.usda.gov/school-meals/family-friendly-application-translations> . The school will provide paper applications for parents who do not have access to on-line forms.
- (4) If the student’s family receives benefits from the Special Nutrition Assistance Program (SNAP), the Family Employment Program (FEP) or the Food Distribution Program on Indian Reservations (FDPIR), the household qualifies for meals at no charge, once the school receives notice of student’s or family’s eligibility, and does not have to complete or submit a free/reduced-price form. Schools will send the household an e-mail/letter informing parents of the student’s eligibility for free meals. If a parent qualifies under one of these programs and has not received such a letter before school starts, the parent should contact the school food service.**

#### **Payments and School Verification**

- (1) The school must verify at some point in each student’s meal service, that the meal is reimbursable or non-reimbursable.

- (2) The school will credit meal payments from parents to the student's account before the meal period. This assures all funds are accurately applied to meal accounts in advance of students selecting school meals. Schools will apply payments to the purchase of the current day's meal first, and the payment of past-due accounts second.
- (3) If a family qualifies for free meals, no payments are due.
- (4) If a family qualifies for reduced price meals, the school will charge no more than \$.40 for lunch or \$.30 for breakfast. The LEA sets the price for reduced-price meals.

Payment options include:

1. Parents may use an automated payment system, if available, to make payments for student's meals. Parents may make on-line payments, using debit or credit cards for one or all of their children, allocating the funds to each child's account. The school may add additional fees for the use of a credit card and will notify parents of added fees.

Schools may provide payment incentives for parents who pay in advance for meals. For example, meal prices may be reduced for those who pay for a year, semester or month of meals in advance. A school will provide notice of prices of these options to parents.

2. Parents may make payments to the school by mail or hand delivery. Payments should clearly note the account to which the funds should be credited (student's name and amount, if several students attend the school). The school accepts checks, money orders and cash. (Parents should note the school policy for checks returned to the school for insufficient funds.)

### **Identification of Delinquent Accounts**

- (1) Schools will identify family or student accounts that do not have adequate balances to pay for student meals. Schools will identify these accounts weekly and notify parents regularly. The school will contact parents, as parents have directed, on the automated meal payment system, or by phone, text or e-mail, to allow parents to indicate how they wish to make payments. Schools may ask students to take notifications addressed to the parent home with them; however, **the school may not tell students to "remind" their parents to send money to the school. It is the parent's responsibility to pay the student's account. Asking students to remind parents is inappropriate.**
- (2) The student will be contacted in advance of the meal service, if the school does not have payment from the parents, to tell the student what action the school will take. The school will take such actions as discretely and sensitively as possible so as not to embarrass the student.

The school may allow any of the following options for meals if a student's meal account is inadequate:

1. Student may bring a sack meal from home.
  2. Schools will continue to provide full meals to elementary students and notify parents that the school will use collection efforts to pay for meals. Schools shall maintain documentation of parent notice.
  3. School staff will inform students in secondary school (grades 7 – 12) that students cannot choose a school meal because the account is delinquent.
  4. Schools may continue to provide full meals to all students and use appropriate school funding to pay for meals not covered by parents.
  5. Schools may notify parents that the school will offer elementary students an "alternate meal" at last 24 hours before the school gives the student an alternate meal. The school shall maintain documentation of parent notice.
- (3) LEAs may choose to use any or none of these when writing policies. Options for serving students with delinquent accounts should include confidentiality and sensitivity towards students and adequate meals for all students.
- (4) The school is not required to provide a meal at no cost if the student does not qualify for a free meal. Because federal funds may not be used for the expenses of these meals, the school must use state or other funds to cover the cost of the meals. The school will provide notice to parents at designated times during the school year of the school's policy for providing meals to students when accounts are delinquent. If a student's account is delinquent, the school may offer the student an alternate meal. The LEA will comply with all applicable state and federal laws.

#### **Debt Collection**

- (1) Schools will notify parents of students with delinquent balances in their school lunch accounts and how the parents will be notified of inadequate funds by such methods as:
1. the automated school lunch payment system;
  2. email or phone text to the parent ;
  3. written notice sent to the parent by mail or carried home by the student in a sealed envelope;
  4. telephone conversation with the parent.

- (2) If parents have been notified, no payment is received, and the amount owed exceeds \$50.00, the account may be turned over to a collection agency (no federal funds may be used for the collection of funds). Schools will notify parents at least twice annually concerning their procedures for the collection of past-due fees.
- (3) The school may complete an application for free/reduced-price meals on behalf of the parents, if school personnel have knowledge of the parent's financial circumstances and parents give permission. The school will notify parents that an application has been completed on their behalf ("Eligibility Manual for School Meals," August, 2013, pg. 36).
- (4) If a student repeatedly has no money in the student's school lunch account and no meals for the student are provided from home, school officials will consider the circumstances in the home (e.g., potential abuse or neglect, homelessness, etc.) and may contact the district's social worker and/or Child Protective Services.
- (5) Schools may set aside or raise funds which may be used for payment of past-due accounts. Parent organizations may hold fundraisers and individuals may donate funds to be used for such accounts. Schools will determine and notify all parents of the school's standards for paying for students' lunches with school discretionary funds.